

ARTICLE 1
ON PAGE A-1

WILMINGTON SUNDAY NEWS JOURNAL
5 October 1980

FBI probing ex-spy's role in task force

By JOE TRENTO

Staff reporter

WASHINGTON — A former CIA agent, already wanted in a plot to murder a high Libyan official, tried to shake down the director of naval intelligence, the FBI has learned.

The same suspect, who was the civilian head of the highly secret intelligence Task Force 157, is also charged with private illegal arms deals.

Edmund P. Wilson, who has been wanted on a federal fugitive warrant since April, has become a pawn in the rivalry between the two admirals who run the U.S. intelligence community.

One of the two, Adm. Bobby Ray Inman, director of the National Security Agency (NSA), confirmed last week that he had asked for an FBI probe into Wilson's activities.

A spokesman for the other, Adm. Stansfield Turner, director of the Central Intelligence Agency, said the CIA would have no comment on the matter.

Turner, a classmate of President Jimmy Carter at the Naval Academy, has failed in his attempt to convince the president to put all American intelligence activities under the CIA's control.

Inman, a little-known intelligence professional who is highly respected by Congress, earned Turner's wrath because the NSA has been given increasing control over the nation's spy satellite program. Inman's agency is responsible for the nation's secret electronic communications, intelligence messages and cryptography.

The Sunday News Journal has learned that in recent weeks Turner and his deputies in the CIA have briefed reporters from major news organizations about Wilson and Task Force 157, which grew from a small naval intelligence operation into a large-scale spy group. Those familiar with the briefings say the CIA has tried to lay the blame for the task force's problems at Inman's feet.

Assistant U.S. Attorney E. Lawrence Barcella Jr., chief prosecutor in the case against Wilson, confirmed that the investigation into Wilson was prompted by a complaint from the CIA that Wilson had been palming himself off as a CIA agent. The CIA told Barcella that Wilson no longer had anything to do with the agency.

What the CIA apparently did not know is that Inman gave extensive testimony to FBI investigators about what he had learned about Wilson and Task Force 157.

Inman, in a rare telephone interview, told the Sunday News Journal that he closed down Task Force 157. "I closed it down because it was out of control and because its continued operation was a drain on Navy resources."

"I fired Wilson because I thought he was a petty grafter, what we call a 5 percent."

The most serious charge in the indictment against Wilson is his alleged involvement in a conspiracy to murder an opponent of Libyan leader Moammar Khadafi in Geneva, Switzerland, in 1977.

The indictment, handed down in Washington last April, also includes several counts of conspiracy to ship rifles to Libya. Then, as now, the United States had a ban on shipping weapons to Libya.

Wilson, 56, whose arms dealings made him a multi-millionaire, remains at large. When Wilson failed to respond to the indictment on April 23, U.S. District Court in Washington issued a warrant for his arrest.

According to Barcella, Wilson is believed to be "moving between his offices in Switzerland and London or at his home in Tripoli [in Libya]. Most likely he is in Tripoli."

Barcella said he has talked with Wilson's attorney, Seymour Glanzer. Glanzer refused to comment on his client.

From sources in the CIA, at the National Security Agency, the FBI and in the Congress, the Sunday News Journal has put together an account of Task Force 157, Wilson's connections to the CIA and Inman's actions.

Task Force 157 was formed in 1968 by Admiral Thomas Moorer, when he was chief of naval operations, to give naval intelligence better communications and human spy capabilities.

When Henry Kissinger began his secret negotiations with China in 1971, he asked for military communications because he distrusted the CIA. Moorer offered him the Task Force and its secret frequencies — called the "SR 1 Channel."

In its investigation, the FBI found out that Wilson and his cronies — who had infiltrated the task force at the behest of the CIA — were actually sending the information to the CIA.

In 1974 Kissinger told a Senate committee that a Navy clerk assigned to his office, who had access to "eyes-only" messages to President Nixon, was also forwarding them to Moorer.

By the time Inman shut down the unit in late 1975, Task Force 157 had grown from a few intelligence operatives to 167 field agents and 200 headquarters officials.

Using a number of phony business fronts, the task force became a free agent, competing with and undermining other intelligence groups and dealing directly with foreign governments, some them hostile to the United States.

It was involved in a wide range of intelligence activities, many paralleling the activities of the CIA, including evaluating Soviet ballistic missile strength and anti-submarine warfare.

Inman told investigators that millions of dollars being spent by the task force could not be accounted for.

The bulk of the staff was drawn from CIA contract spies, not on full-time duty with the agency, or from the military. Exactly how the task force was put together and how it grew is still not clear.

After Wilson was fired by Inman, he resumed his contract work for the CIA by organizing a group of Cuban refugees to conduct terrorist activities in South Africa and Latin America. A number of the task force employees had been CIA-trained Cuban operatives were hired by Wilson, according to FBI sources.

Although Wilson worked with the Task Force 157 project from 1971 to 1975, he remained on the CIA payroll and reported to Theodore Shackley, who had been former CIA director Richard Helms' right-hand man for clandestine operations.

When Inman fired Wilson, Shackley called the admiral and urged him to keep Wilson on. Shackley, reported not to be with the CIA any more, could not be located for comment.

CONTINUED

Inman, now 49, has served in nearly every top-level military intelligence post. He was director of naval intelligence from 1974 to 1976, director of the Defense Intelligence Agency between 1976 and 1977 and since then head of the NSA.

Inman told the FBI his troubles with Task Force 157 preceded his taking over naval intelligence in 1974.

When he was the naval intelligence officer for the Far East, he had been rebuffed in repeated attempts to learn about Task Force 157. He told the FBI that the task force reported directly to Washington and answered to no one in the field, a procedure considered highly unusual in the Navy's decentralized command system.

His disenchantment with the task force began early in his tenure as head of naval intelligence.

He learned that one task force employee had received kickbacks on contracts given to a company that supplied small boats for intelligence missions. The employee was fired by Inman but no charges were ever placed because a public trial might have compromised defense secrets.

After Inman took over naval intelligence, Sen. John J. McClellan, D-Ark., the powerful chairman of the Senate Committee on Appropriations, invited him to brief committee staff members on the Navy's use of the F-18 jet fighter.

After the briefing, Inman told the FBI, a member of McClellan's staff suggested that they have lunch to discuss how the Office of naval intelligence could get its budget requests through the Senate smoothly. Inman described the staff member to the FBI as "McClellan's bagman."

Here's what happened then, as Inman related the story to the FBI:

Inman and an aide went to a nearby restaurant, where the McClellan aide introduced him to Edmund Wilson.

During the lunch, Wilson told Inman that his agency would have clearer sailing with McClellan's committee if Wilson's companies were given certain contracts for duplicating and other office services.

In the midst of the conversation, which Inman told the FBI made him a "little sick," Wilson suddenly said, "You know, admiral, I work for you."



Spy chiefs: Bobby Inman of the NSA (left) and CIA's Stansfield Turner.

Wilson told Inman he headed World Maritime, a company set up to channel secret money on behalf of Task Force 157. Wilson also invited Inman and his wife to his 600-acre farm in Upperville, Va. — "an invitation my wife managed to get us out of," the admiral told the FBI.

Inman told FBI agents, and the Sunday News Journal, that Wilson was nothing but a "5 percenter, a small time grafter" who was trying to shake down the chief of naval operations. FBI sources say they are investigating the charge.

Task Force 157 operated out of an Alexandria, Va., office tower not far from the Pentagon, where Wilson created a number of other business fronts to operate the unit. These included World Maritime, Aero-Maritime Corp. and Pearce Morgan Inc.

The Navy has never officially

given any public acknowledgement of the task force.

Its existence surfaced, however, in an appeal to the Merit Systems Protection Board by 10 former task force employees who want retirement and federal service credit.

Washington attorney Bernard Fensterwald, who represents them, says that the men are all secretive about what they did for the task force.